



REPORT
OF
The Citizens' Association;
HOW OUR TAXES
MAY BE REDUCED,
OUR RESOURCES DEVELOPED.
AND THE
LOCAL GOVERNMENT IMPROVED.

OUR WHARVES AND PIERS, MARKETS, PUBLIC PROPERTY, &c., &c.

IMPORTANT INFORMATION FOR EVERY TAX PAYER.

The great question of the day is "Retrenchment, and intelligent,
thorough, comprehensive Reform."

NEW-YORK:
Published by the Citizens' Association,
No. 813 BROADWAY.

1868.

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THE CITIZENS' ASSOCIATION.

HOW OUR TAXES MAY BE REDUCED, OUR RESOURCES DEVELOPED, AND THE LOCAL GOVERNMENT IMPROVED.

OUR WHARVES AND PIERS, MARKETS, PUBLIC PROPERTY, ETC., ETC., ETC.

THE Citizens' Association of New-York was organized in 1863, for the purpose of reforming abuses in the Municipal Government. It has long since ceased to be an experiment, and has developed into a movement of the utmost importance to the welfare of our city. It has inaugurated reforms of the most vital character, many of which are too well known to our people to need other than a passing mention. It points to its record of four years as one in every way calculated to encourage sanguine hopes of the success of its plans for the future.

THE ASSOCIATION TAKES NO PART IN POLITICS, DOES NOT MAKE NOMINATIONS, AND IS IN NO WAY CONNECTED WITH ANY PARTY ORGANIZATION. IT DEALS WITH MEN AFTER THEY GET INTO OFFICE.

TO REDUCE TAXATION.

The Association is engaged in perfecting a carefully prepared plan whereby, by developing every legitimate source of income, our local government may become, in a great measure, self-sustaining.

New-York to-day, with public property worth about \$200,000,000, consisting of parks, markets, Croton Aqueduct works and real estate connected therewith, wharves, piers and ferries, from which a large income should be derived, is in debt to the amount of \$42,142,176.50, and is compelled to raise by tax upon the estates of citizens seven-eighths of the sums necessary to conduct its affairs.

To decrease taxation, the debt should be lessened, the revenues increased, and the expenses of the government curtailed.

STANDING DEBT.

1. *To reduce our Standing Debt.*

This amounts to \$42,142,176.50, upon which the interest is over two and a half millions of dollars per annum.

There is now in the Sinking Fund, for the redemption of the city debt, \$15,000,000.

This amount should be at once applied to paying off that indebtedness. This would leave a total debt of \$27,142,176.50.

The market property of the city, estimated to be worth about \$5,000,000, should be sold, and the proceeds applied to paying off the debt; this would leave a debt of \$22,142,176.50 to be provided for. Of this amount there are \$10,782,800 on account of the original cost of the Croton Aqueduct and works.

The Croton Water debt should be paid from the Croton Water income alone. This is a basis of revenue able to take care of its own debt, and leave a large surplus revenue.

The debt would thus be reduced to about \$11,359,376.50.

The other saleable property owned by the city could be disposed of for about \$2,000,000, thus leaving a debt of \$9,000,000, incurred on account of the Central Park improvement, to represent which we have the Park, worth, at least, seventy-five millions.

This balance of our debt, viz., nine millions, should be

funded in a long stock, known as The Central Park Improvement Stock, of 30, 31, 32, 33, 34, 35, 36, 37 and 38 years, which would make just one million mature each year, to be raised and paid by tax; the interest, in the mean time, to be annually raised by tax and paid by the Comptroller; and the Sinking Fund, with all its waste and heavy expense, together with the sinecure office of City Chamberlain, abolished.

REVENUES.

2. *The next step is to increase the City Revenues.*

The revenue for the use of Croton Water should be made to pay the interest on that debt, to lay aside enough annually to liquidate the principal when due, and to yield about one million yearly to the tax fund, in addition to paying the current expenses of that department. The present low rates for Croton Water were fixed shortly after it was introduced, and only amounts in first-class dwellings to about half a cent for one hundred gallons, which is next to nothing.

Large express companies, hotels, stage companies, railroad lines, which now pay but a mere pittance into the treasury for the privileges and advantages they enjoy, should be required to pay what is just and fair.

Authority should be obtained from the Legislature to impose a license tax upon the cars of the city railroads. These companies enjoy the public streets for their business as a monopoly; they make large profits, and should pay for the privileges they possess.

There are thousands of persons doing business in this city who do not contribute one dollar towards the expenses of our local government for accommodations which they enjoy equally with our tax-payers. They live in the neighboring counties and States, and thus escape the burdens which they should justly bear. A direct tax should be

imposed upon all such persons, graduated according to the amount of business transacted. These classes of individuals, by living out of the city, but yet doing business in it, get rid of paying a personal tax here, thus bearing no proportion of the public burdens, but enjoying all the public accommodations precisely as much as citizens who now pay for all these privileges.

From the last three sources an annual income might easily be derived of \$2,000,000, and from such sources, in nearly all our large cities, income is derived.

EXPENSES OF GOVERNMENT.

3. *The next step is to decrease the expenses of the Local Government.*

All distinctions between city and county should be abolished, thus getting rid of two sets of officers doing the same general work in the same territorial limits, and of large expenses caused entirely by a dual government. At least one million of dollars would thus be saved.

The expenses of the police should be reduced. It is admitted that as good men can be obtained for the force for \$900 per year as for \$1,200, which is now paid. This, upon the present force of 2,000 men, would be a saving of \$600,000 per year.

From a careful analysis of the expenditures of the Department of Public Instruction, the Association is of opinion that this Department could be efficiently conducted for two and a half millions of dollars per annum.

The expenses of the local government can be reduced nearly another million of dollars by making our courts of justice self-sustaining. This can be done by the institution of a plan which shall require all those persons who use the courts to pay the expense thereof. Our courts now cost us nearly \$800,000 per year, and the city receives but \$100,000 in fees, &c., therefrom.

In our courts there are 35 judges, 100 clerks and 89 officers (the police acting as officers for the criminal and police courts).

Each year about 2,500 cases in the Supreme Court are put on the calendar; in the Superior Court about 600, in the Common Pleas about 600, in the Marine Court about 5,000 suits are brought annually, and in the petty civil courts, together, about 12,000. These amount to over 20,000, which number must be increased by some 3,000 additional suits which never go on the calendars.

For some 30,000 litigants this expense of \$800,000 is borne by the community at large; whereas a very small tax on the litigants themselves, which would be perfectly just, would defray the expense.

Another portion of the plan is to reduce the costs of the courts.

The other expenses of the local government can be reduced an additional million of dollars by a judicious contraction of expenditure.

The expenses of the local government upon the basis of the expenditures of 1866 would be as follows:

Metropolitan Commissions.....	\$4,174,106 32
Common Council.....	3,908,582 62
Board of Supervisors.....	1,757,780 00
Charities and Correction.....	1,067,889 08
Board of Education.....	2,539,327 54
Principal and Interest on Debt.....	2,401,472 35
State Purposes.....	2,902,849 37
Total.....	<u>\$18,752,007 28</u>

By the plan of the Association, the expenses would be as follows:

The Commissions.....	\$3,000,000
Public Instruction.....	2,500,000
Charities and Correction.....	1,000,000
Common Council.....	2,000,000

Cleaning Streets.....	\$500,000
Interest on Funded Debt.....	700,000
Incidentals.....	500,000
State Purposes.....	3,000,000
Total.....	<u>\$13,200,000</u>

To meet this the revenue would be as follows :

1. Croton Water revenue, in addition to the amount required in paying the expenses of the Department, the interest on the stock, and the principal as it falls due.....	\$1,000,000
2. Excise.....	1,000,000
3. Revenue from River Front—Wharves, Piers, Slips and Ferries, when developed.....	2,000,000
4. Other sources of Revenue.....	2,000,000
Total Revenue.....	<u>\$6,000,000</u>

This would leave a total of \$7,000,000 to be raised by tax, which would make the tax less than one per cent. upon the present valuation of property, viz., \$830,000,000.

THE PAST WORK TO REDUCE TAXES.

The most effective service performed by the Citizens' Association has been rendered in respect of the annual taxation of the people of the City and County of New-York.

It is eminently proper that the Association should explain in what this service consists. It is undoubtedly true that the taxes have increased since the year 1864, when the Association was fully organized; but this increase has not been regular. The amount in 1865 was greater than that in 1864, but in 1866 it was less than the preceding year. In 1867 it increased in a wholly disproportionate manner, and solely from accidental circumstances. It is steady and unchecked increase which marks the absence of the watchful eye; but when there is an almost unaccountable fluctuation from increase to decrease, and back again, there is evidence of the struggle ceaselessly carried on to reduce taxation to a proper figure.

With the Tax Bill of 1864, the Association commenced its labor to check the enormous burdens imposed upon the people. The city and county governments proposed to raise over \$15,000,000 in that year from the citizens of the county. This sum, through the efforts of the Association, was reduced nearly \$2,000,000.

In 1865, through the combinations of some of the local officers, who, baffled in their open attempts, resorted covertly to the provisions of previously enacted laws to gain their ends, a large debt was incurred for judgments confessed against the city, which had to be paid; and debts contracted for extraordinary expenses during the war, helped to swell the taxes to the sum of \$18,000,000. In 1866 the Association obtained the passage of laws which prevented the repetition of the frauds of the previous year, and otherwise cut down the levy to \$16,950,767.88.

In the present year the payment of other instalments of loans previously contracted, and the unavoidable additions hereafter explained, brought the amount up again to the sum of \$21,560,980.

But it is to be considered that the valuation of the taxable property in this county, during those years, has increased about \$200,000,000, and that the improvements of property which were thus made to yield their share towards the burdens of government, lessened very much that burden on the whole community.

In short, the increase of valuation in the taxable property is at the rate of 25 per cent., and the increase in the taxes about 33 per cent.

The Association now calls attention to the following interesting statements :

In the three years immediately preceding that in which the Association commenced its labors in this field the taxes had increased by the sum of \$5,600,621.76. This, which

was the ratio in which the taxes had regularly increased, gives an annual increase of about \$1,800,000.

Taking the taxes of 1864, at about \$15,000,000, which they would have been without the efforts of the Association, and allowing this regular increase, it will be seen that without any extraordinary cause of increase the taxes of 1867 would be about..... \$20,400,000

To this we should have had to add the 50 per cent. in salaries, and more in wages of workmen, 33 per cent. in pay of police, etc., and the increase of material of all kinds for public purposes in the years 1864, 1865 and 1866, which were necessitated by the state of the currency, and which amount to about.... 3,000,000

To this we should also add the interest on the war debt of the city and county, and the instalments paid on it, and the redemption of the various other loans, which amounted, in 1867, to about..... 2,600,000

To this we should add the deficiency in collecting the annual taxes for 1866, which had to be raised in 1867..... 615,000

To this should also be added the extraordinary addition of a deficiency in the State tax, caused by the county being compelled to refund taxes on U. S. securities..... 500,000

And we should have, at the regular rate of progression, in this year, a tax of..... 27,115,000

Instead of which we have to pay a tax of... 21,560,980

This balance of..... \$5,554,020
represents the actual saving which has been made on the taxes of this year alone, by the exercise of watchfulness, the resolute combating of speculation.

The results of this effort are also apparent in 1866. In

that year, according to the table of progression and increase above laid out, the taxes should have been... \$23,100,000

But they were actually..... 16,950,767

Leaving a gain of..... \$6,149,233

It is respectfully submitted that a saving of \$11,000,000 in the taxes of two years only, and these two the last, is evidence of the existence of an agency of good, potent enough to check in some degree the march of extravagance, corruption and ruin.

It will be seen that, at the regular rate of progression, which bad government had made in taxation, the Association points to a gain of about \$11,000,000 in this and the preceding year.

This is conclusive proof that not only have our local rulers been defeated in attempts to extend their corrupt efforts, but have actually been forced into a great retrenchment.

The means adopted to secure this end are explained very simply.

The Association organized its campaign afresh in each year, on the following basis:

First—In the City of New-York.

1. By preventing through the vigilance of the friends of reform in the Common Council, the immense extravagance in that body.

2. By its watch on and examination into the proceedings of departments; checking attempts to defraud.

3. By its prosecution of corrupt officials, terrifying them into economical administration of their duties.

4. By applying to the courts for injunctions and other processes, arresting the consummation of fraudulent contracts and jobs.

Second—Before the Governor.

By arraigning delinquent officials who violated their trusts.

Third—In the Legislature.

1. By watching and preventing the passage of laws tending to increase the burdens of taxation, to create new offices, and to waste the public money.

2. By instantly seizing upon and obtaining the control of the city and county tax levies of each year, as they are sent up for approval, reducing them and limiting, by provisions in them, the powers of the local rulers.

3. By obtaining and assisting to obtain the passage of independent laws, remodelling the city government, and removing powers from the local officers to responsible State Commissions.

OUR WHARVES AND PIERS.

The Association is actively engaged in efforts to produce reform in the wharf and pier system in the harbor of New-York. The commerce of our country is rapidly centralizing toward this port, and accommodations must be provided for it commensurate with its importance. This Association took active steps last year to procure the requisite legislation on this subject, and is now renewing its efforts. A public meeting of our merchants interested in this reform has been lately held at the Merchants' Exchange, under the following call:

THE CITIZENS' ASSOCIATION OF NEW-YORK.

No. 813 BROADWAY, }
October 30th, 1867. }

The Citizens' Association will hold a meeting at the Merchants' Exchange, 52 Pine street, on Friday, November 8th, at 3 o'clock, P.M., for the purpose of discussing what steps shall be taken to inaugurate a system of wharves and piers commensurate with the present and future wants of the City of New-York.

The question is one of great national importance. While

our railroads are being extended to the Pacific, and our steamship lines to China, no adequate provision has been made within our city for the accommodation of our vast and growing commerce.

The interests not only of our city, but our entire country, demand an immediate change in our wharf and pier system.

The members of the Chamber of Commerce, the Produce Exchange, the Shipowners' Association, and all parties interested, are cordially invited to attend the meeting, and present their views.

WILLIAM WOOD.
 TAPSCOTT BROS. & CO.
 HOWLAND & FROTHINGHAM.
 FABBRI & CHAUNCEY.
 HUGH ALLEN.
 SPOFFORD, TILESTON & CO.
 F. W. J. HURST.
 LIVINGSTON, FOX & CO.
 J. BOORMAN JOHNSTON & CO.
 MORGAN & TINKER.
 CHARLES H. MARSHALL & CO.
 GRINNELL, MINTURN & CO.
 PACIFIC MAIL S. S. CO.
 per F. W. G. BELLOWS, Vice-Prest.
 EDWARD CROMWELL.
 LEWIS ROBERTS & CO.
 HORACE GREELEY.
 DAVID DOWS & CO.
 DAVID HOADLEY.
 PETER COOPER.
 JAMES GORDON BENNETT.
 CHARLES TRACY.
 JOSIAH M. FISKE & CO.
 JONATHAN STURGES.
 JOHN C. GREEN.
 THOMAS H. FAILE.
 BENJ. B. SHERMAN.
 WOODRUFF & ROBINSONS.
 JOSEPH ALLEN & CO.

JAMES BROWN.
 MOSES H. GRINNELL.
 WILLIAM M. VERMILYE.
 WASHINGTON R. VERMILYE.
 WILLIAMS & GUION.
 A. A. LOW & BROTHERS.
 WILLIAM H. FOGG & CO.
 CHARLES LULING & CO.
 OELRICHS & CO.
 PICKERING CLARK.
 BARCLAY & LIVINGSTON.
 H. B. CROMWELL & CO.
 W. W. DEFOREST & CO.
 WESTON & GRAY.
 WILLIAM WHITLOCK, JR.
 N. L. MCCREADY & CO.
 STURGES & CO.
 CHARLES CAROW.
 THEODORE W. RILEY.
 PARKE GODWIN.
 PHELPS, DODGE & CO.
 JESSE HOYT & CO.
 STEWART BROWN.
 NAT. L. & GEORGE GRISWOLD.
 JAMES K. PLACE & CO.
 SAMUEL W. OSGOOD.
 E. W. COLEMAN & CO.
 STURGES, CLEARMAN & CO.
 ROBERT C. FERGUSON.

BOYD & HINCKEN.

This meeting was presided over by A. A. Low, Esq., and addresses were made by the president and by Messrs. Peter Cooper, Charles Tracy, William E. Dodge, George F. Noyes, William Wood, and others.

The following preamble and resolution were unanimously adopted by the meeting :

Whereas, The wharves and piers of the City of New-York are in a condition, disgraceful to our City and injurious to our commerce. *And*,

Whereas, The wharf and pier system of this port is inadequate to meet the public wants, and is far behind the system that exists in the great cities of Europe. *And*,

Whereas, The City of New-York is rapidly absorbing the foreign trade of our country, which, in 1865, amounted to \$571,036,933, of which New-York had \$429,090,523. *And*,

Whereas, New-York, by reason of its position, is destined to become the commercial centre of the world, and should have a wharf and pier system that would be an honor to our city, and prove commensurate with the public wants. *And*,

Whereas, The question of providing ample dock accommodations for the trade of this port is of importance, not only to the City of New-York, but is one in which the whole State and Nation have the deepest and most direct interest. *And*,

Whereas, Radical changes are demanded in our whole system of wharves and piers. *And*,

Whereas, To properly deal with a subject of such vast importance, and to develop a plan or system that will meet with united support, it is necessary that the shipping, banking, commercial, manufacturing and other great interests to be affected, should confer in reference thereto. Therefore be it

Resolved, That A. A. Low, James Brown, William H. Fogg, Peter Cooper, Paul Spofford, John S. Williams, John Taylor Johnston, August Belmont, William M. Vermilye, Jeremiah P. Robinson, David Dows, William B. Astor, John J. Phelps, Joseph W. Alsop, Stewart Brown, William Wood, Jacob A. Westervelt, Charles O'Connor, Hugh Allen, Theodore W. Riley, Richard W. Weston, Charles Tracy, Murray Hoffman, Nathaniel Sands, Washington R. Vermilye, Samuel U. F. Odell, William D. Morgan, Charles H. Marshall, Isaac N. Phelps, Paul N. Spofford, Allan McLane, Aaron Arnold, Marshall O. Roberts, James M. Constable, Francis W. G. Bellows, William B. Dinsmore, Edwin Hoyt, Howard Potter, William E. Dodge, John S. Elridge, Francis W. J. Hurst, Charles Luling, Cornelius K. Garrison, William M. Evarts, Benjamin Trask, Robert Mackie, E. P. Fabbri, Jonathan Sturges, Adam Norrie, George F. Noyes, Robert L. Stuart, Jonathan Thorne, Samuel Sloan, J. F. D. Lanier, James Boorman Johnston, John Jacob Astor, Jr., Cornelius Vanderbilt, Stephen Smith, Joseph F. Daly, John E. Williams, William A. Booth, James H. Frothingham, George Griswold, James K. Place, John A. Weeks, Richard M. Henry, George S. Coe, Le Grand Lockwood, Samuel Willets, George Cabot Ward, Edward Cunard, Frederick Chauncey, Benjamin B. Sherman, Henry G. Deforest, Jesse Hoyt, Edward Hincken, Lewis Roberts, James T. Tapscott, Thomas T. Sturges, David Hoadley, George W. Duer, James Punnett, William B. Duncan, Thomas J. Owen, George M. Clearman, Benjamin D. Silliman, Charles A. Secor, Horatio Allen, D. R. Martin, Samuel H. Seaman, William Nelson, Jr., Joseph J. Comstock, Augustus E. Silliman, Edward W. Coleman, Joseph Allen, Percy R. Pyne, Robert L. Taylor, Nathaniel L. McCready, Lewis B. Woodruff, Alexander Hamilton, Jr., William F. Cary, Jr., H. T. Livingston, Henry E. Nesmith, Ambrose Snow,

Pickering Clark, Henry Bergh, Solon Humphreys, Edward Cromwell, Erastus S. Brown, D. Colden Murray, Henry M. Taber, Samuel W. Osgood, Thomas S. Sandford, Simon F. Mackie and William E. Worthen, representing such interests, be appointed a Committee to examine the whole subject, and to report as to the best means of inaugurating a wharf and pier system in this port, commensurate with the present and future wants of our commerce.

SALE OF OUR MARKETS.

The Association has also in hand the carrying into effect its proposition for a sale of the market property of the city. This property is now estimated as being worth about five millions of dollars. The net annual profit now received by the city from this source by way of rents, fees, etc., is \$100,000.

The following statement shows the amount that the city is annually losing under the present system :

If this property should be sold, and the money invested, the city would receive some \$350,000 per annum as interest. In addition, the markets being situated in large centres of business required for commercial purposes, in private hands the property would be improved, and would be worth, at least, \$20,000,000. The city would receive, by way of tax upon this property, at the present rate of taxation, two and a half per cent. upon the taxable value, say \$250,000 per annum; this, added to the \$350,000 above, makes \$600,000, against \$100,000, now received, a total annual gain of \$500,000. The plan of the Association is to use the \$5,000,000 to pay off so much of the city debt. The city would then be receiving a net tax upon the property as improved.

The Association will also agitate the sale of the markets on another ground: that it is better for the general public that the city should not remain in the business. As long

as the municipal authorities manage this business, not only will it be unproductive to the city, but the business will not reach such a stage of development as it would in the hands of private individuals.

If the municipal authorities would leave this, as it does other kinds of business, to private enterprise, markets would be erected in centres of population where they are needed, and not, as now, in centres of business, and also upon a plan commensurate with the wants of the people. The loss to the public annually from the situation of our markets, has been carefully estimated, and amounts to **MORE THAN THIRTY MILLIONS OF DOLLARS.** The whole original principle of public markets has been lost sight of, and instead of being a common ground where the producer and consumer meet for the sale and purchase of commodities, they have become mere stands or stalls for hucksters, fore-stallers and speculators.

It is a sound principle of government that the public authorities should entirely keep out of the sphere of business; for, unless it does so, private enterprise will shun that business, since private capital will not risk itself against that of the Government, which has the power, by harsh and invidious distinctions, to ruin millions of property and capital, whenever so inclined.

WATCH OVER EXPENDITURES.

One of the most important duties of the Association is to keep a constant watch over every department and bureau of the local government. The expenditures under each head of appropriation are carefully examined by an accountant, and the prices paid by the officials are compared with the market prices of the same articles. When the Association discovers in the expenditures of the public money any violation of law or excess in price or quantity, it publicly draws the attention of the head of the particular depart-

ment to such matters, and demands that the proper remedy shall be applied. This constant, persistent and thorough examination and exposure of improper conduct has a very wholesome effect in checking official wrong-doing. The Association has succeeded in obtaining the decision of our courts that a citizen is entitled to an inspection of all public papers, books and documents, which opens the way to the fullest investigation. One of the chief reasons why the officials have heretofore squandered such large sums of money has been, that they could thus act with impunity—since there has been no one individual or body of men whose special business it has been to investigate, expose and punish official misconduct. Now, however, the mere existence of the Association, its regular examination of the expenditures of the several departments, renders the officials careful in every proceeding, for they do not know when, or where, or how the Association will strike the next blow. The Association would lay the greatest stress upon the necessity of continuing this scrutiny and supervision of expenditures as one of the best and surest methods of introducing economy and honesty in the expenditure of the public money.

CONSTITUTIONAL CONVENTION.

Another important part of the work now before the Association is to obtain suitable provisions in the proposed new State Constitution, for inaugurating a proper system of government for this city. The Association is striving to have the Convention recommend a change from an elective to an appointed judiciary, as essential to the pure and firm administration of the laws. It is in communication with the members of the Convention upon this and other matters—among which are: the prevention of the abolition of the present commissions in this city; the making it a criminal offence for the City Chamberlain to receive for his own use

any profit or per-centage upon the public money; the giving to the Mayor power to remove commissioners or members of State Boards for cause; and the authorization of taxes in the City and County of New-York, according to the following

PLAN OF RAISING TAXES.

TWO HUNDRED AND FIFTY TAX-PAYERS, PAYING TAXES ON PROPERTY OF THE TAXABLE VALUE OF NOT LESS THAN TWENTY THOUSAND DOLLARS, SHALL BE SUMMONED BY THE MAYOR OF THE CITY, FROM AMONG WHOM, IN THE PRESENCE OF THE PRESIDING JUSTICE OF THE SUPREME COURT, TWENTY-FOUR SHALL BE SELECTED BY LOT, WHO SHALL SIT AS A JURY.

BEFORE THEM EVERY BRANCH OF THE LOCAL GOVERNMENT, INCLUDING ALL BOARDS AND COMMISSIONS, SHALL BE, BY LAW, COMPELLED TO PRESENT THEIR BUDGETS, AND ANY TAX-PAYER MAY APPEAR AND OPPOSE THE AMOUNTS ASKED FOR, GIVING HIS REASONS FOR SO DOING. A MAJORITY OF THE JURY SHALL DETERMINE, AFTER HEARING ALL SIDES, THE SUMS NECESSARY TO BE RAISED FOR ALL LOCAL PURPOSES, IN THE CITY AND COUNTY OF NEW-YORK, AND THEIR DECISION SHALL BE FINAL.

The Association is continually gathering facts and preparing arguments for the use of prominent members of the Convention, and trusts to be thereby instrumental in accomplishing much lasting good.

As to the other important part of the work of the Association—the procuring of legislation abolishing all distinc-

tions between the city and county, and transferring all the powers and duties of the Board of Supervisors to the Common Council—the public hardly need to be convinced of its propriety. The danger to be apprehended from the continuance of the county government can be readily estimated from the fact that the Board has already spent this year \$400,000, for fitting up armories and drill-rooms, the greater part of which has gone for the purchase of expensive and elaborately carved and gilded black walnut furniture, &c., and has expended, with interest, &c., some \$4,378,835.96 on a new county court-house, which was originally to cost but \$250,000. Although the appropriation of \$800,000 for this year was expressly mentioned to be for the completion of the court-house, yet the whole of this money has been spent, and the building does not approach completion.

CITY CHAMBERLAIN.

The Association has also an important work to perform, in putting a stop to the system whereby the City Chamberlain receives annually large amounts of money from certain banks in this city, for depositing the public funds therein. The present Chamberlain receives an annual salary of \$23,000 for the performance of merely nominal duties. The interest upon the average daily balances in the Broadway Bank cannot amount to less than \$80,000 per year. The bank allows interest upon such balances at the rate of 4 per cent. To obtain this balance, large and unnecessary amounts of money must be borrowed by the city, for which the city pays 6 and 7 per cent. interest; it is then allowed to remain on deposit, for which the bank allows the 4 per cent.

TAX LEVY.

Another important part of the work before the Association is the preparation of a suitable tax-levy law for local purposes of the year 1868. The Association will prepare a

thorough and exhaustive analysis of every item of appropriation in the Comptroller's budget, based upon the expenditures of the present year, and will also watch over the interests of our tax-payers, by seeing that the prohibitory sections of the present law are retained in that of 1868. Unless ceaseless vigilance be exercised, the amounts of the appropriations will be increased on various pretexts, and all the provisions prohibiting excess of expenditure over appropriation will be annulled. By the efforts of the Association last winter, it was enacted that the Comptroller's budget must be presented to the Common Council in January, and sent to the Legislature within three weeks afterwards. This will remedy the evils of the old system of sending up the budget during the last days of the session, when, in consequence of the press of business, it is impossible to get such a hearing as the magnitude of the subject demands.

LAWSUITS.

The Association is also engaged in carrying on several lawsuits, involving large amounts and important principles.

It is proposed to commence an action against the estate of Daniel Devlin, the late City Chamberlain, to recover the money paid to him by the banks in which the city funds have been deposited; no portion of which interest was paid over to the city. It is estimated that at least \$442,500 was thus improperly received by Mr. Devlin, and appropriated to his own use. To obtain this amount for the Chamberlain, at least \$700,000 of unnecessary interest must have been paid by the city. Large sums of money were borrowed by the officials when the public wants demanded no such amounts, and large balances were kept on hand in the bank, for the purpose of enabling the Chamberlain and his confederates to make the 3 and $3\frac{1}{2}$ per cent., allowed by the bank, amount to a round sum; while the city would be paying 6 and 7 per cent. to the bank or individuals for the same balance.

If this suit shall result successfully, it will have a great tendency to check similar acts of misconduct on the part of officials; for when they realize that, after their death, their estates may be forced to disgorge their ill-gotten gains, they will hesitate to perpetrate frauds upon the public.

ALBANY LEGISLATION.

During every session of the Legislature, various schemes are brought forward highly detrimental to the interests of tax-payers. The Association proposes, this winter, to direct special attention to all such projects, and to have able representatives at Albany for this purpose. Every proposed law affecting the interest of New-York will be carefully examined, and where objections exist they will be stated in a letter addressed to the Chairman of the Committee before which the bill comes in its regular order. This letter will be an official communication from the Association, and will be published in all the papers—thus calling public attention to the law and the objections to it. If then the Committee report the bill favorably, another letter will be publicly addressed to the President of the Senate and Speaker of the House, protesting against its passage. In case, however, it finally passes after this opposition, another letter will then be publicly addressed to the Governor, with an urgent appeal for him to veto the bill. Such extensive publicity as this, with the reasons clearly and forcibly stated why the proposed measure should not become a law, would defeat all objectionable and injurious legislation.

This arduous and expensive labor the Association will undertake, if sustained in its efforts by those whose interests it labors to defend.

PAST WORK OF THE ASSOCIATION.

As a guarantee of what it can accomplish in the future, the Association points to its record in the past:

1. Its efforts and labors to establish the Board of Health.

2. It originated the Paid Fire Department for this city.

3. It co-operated in the passage of the Excise Law.

4. It succeeded in having introduced in the City Tax Levy of 1866, several important prohibitory sections, restraining the Common Council from expending money beyond the amounts authorized by the Legislature.

5. It succeeded in having the prohibitory judgment clause inserted in the City Tax Levy of 1866. In 1864, judgments were obtained against the city to the amount of \$1,200,000. This was in excess of the appropriations.

THE BOARD OF HEALTH.

For many years the friends of sanitary reform labored with untiring zeal to establish in this city a Sanitary Bureau, such as the interests of the people and the prosperity of our city demanded. Success finally crowned their efforts, and we have to-day a Board of Health composed of men of pre-eminent professional and business ability.

The prosecution of City Inspector Boole, the publication of our Sanitary Report upon the Condition of the City, and the agitation of the questions connected therewith, were but the first of a series of acts that ended in the overthrow of the corrupt City Inspector's Department and its two score of incompetent Health Wardens, and in the establishment for our city of a Health Board which is everywhere acknowledged to be a model among the similar institutions in the world.

We do not consider it necessary that we should stop to recount the blessings that this Board has conferred upon us all, the lives it has saved, the pestilence it has fought and conquered at our doors, and the marks of general confidence

felt in its fidelity to its mission. We are too near the time when we looked to its efficient action to protect ourselves and those we hold most dear from the horrors of a threatening pestilence, to need to be told, except by the beatings of our grateful hearts, that the Board of Health has already earned not only our respect and admiration, but also the thanks of all of us, for keeping from our hearthstones the footstep of death. While gaunt pestilence stalked through other cities less blessed with proper health regulations, and gathered a rich harvest of victims, he was here boldly met by our Health Board, fought at our threshold, followed step by step, night and day, by ceaseless vigilance, and finally, instead of becoming a conqueror, was conquered.

THE PAID FIRE DEPARTMENT.

With the Paid Fire Department, as a system, no one can justly find fault; for there can be no more propriety in having a Volunteer Fire Department than a Volunteer Police Force. It was very long, indeed, before the people of this community would abandon the old Department; they felt reluctant to abandon a system which in its day had done good service, and because also a portion of them were intimidated by the hue and cry raised by the politicians, who feared the loss of power if the Volunteer system, which had become thoroughly corrupt, was broken up. But, like institutions outliving their day, like other landmarks of previous generations, the Volunteer Fire Department was swept away, and a system inaugurated equal to the advanced position of our age. It seems extraordinary that the greatest commercial metropolis of this continent, with its vast interests, its wealth, its population, its spirit of progress in the arts and sciences, its intelligence, its use in other respects of the forces of nature to control the forces of nature, should have been the last of the great cities of the world to realize that—in a vast community of persons

where individuals of the worst and lower classes congregate to prey upon the lives and property of others, where there is not only a great amount of good, but an equal, if not greater, amount of evil—affairs which concern the common interest of all must be made a matter of business, and not left to the voluntary and spasmodic efforts of unofficial individuals.

The insurance companies, who insure \$1,000,000,000 of property in the Metropolitan District—owned in every part of the State—have, as we understand, taken steps to sustain this Commission, and would on no account recommend a return to the old system, or to a system by which the Mayor of the city would have the power to appoint the Commissioners. It was proved by witnesses, before the State Senate, that the Volunteer Department cost directly and indirectly *over a million of dollars per annum*. Thousands of young men in this Department were ruined yearly, and their suffering wives, mothers and sisters prayed for the abolition of a Department in which their husbands, sons and brothers met with so great temptation.

THE EXCISE BOARD.

This Board, so unpopular with the liquor dealers and criminal classes, and so popular and dearly cherished by every good citizen, is composed of the same able men who compose the Board of Health. The Excise Law last year brought about \$1,000,000 into the treasury of the city, and the same amount this year, upon the sound principle that those who, by their occupation and habits, add so largely to the burdens of taxation, must themselves bear their full proportion of that tax. The necessity of an Excise Law has always been admitted. Is not the only complaint against this Board that it has fearlessly, fully and efficiently enforced the law? Under the old system less than \$20,000 per year was collected from excise.

REFORMS IN THE TAX LEVY.

6. The Association succeeded in having introduced into the City Tax Levy of 1867, several important sections, in substance as follows :

SECTION 1. Limits advertising to \$50,000 ; requires Comptroller to specify three daily and three weekly papers as Corporation papers, and prevents papers other than these from obtaining judgments.

SECTION 2. Forbids the transfer of appropriations ; the incurring of obligations in excess of appropriations ; and prohibits the Common Council from creating new offices and increasing the salaries of present officials.

A similar provision is inserted in the County Tax Levy.

SECTION 3. Prohibits judgments against the city for any matter arising out of contract unless the object is authorized by the act, or for any amount beyond the amount appropriated by the act ; and also prohibits judgments against the city, except upon proof in open court that the amount sought to be recovered still remains unexpended in the City Treasury, to the credit of the appropriation for the year, to the specified object upon which the claim is founded.

SECTION 6. Provides that no judgment shall be entered against the city on a contract made in 1866, unless on proof that the amount sued for is still unexpended, of the appropriation of 1866, for the purpose upon which the claim sued for is founded ; and also gives the Supreme Court of the First Judicial District exclusive cognizance of actions against the city.

SECTION 7. Provides that no portion of the amounts raised in 1867 shall be expended in discharging the obligations of previous years, except as is otherwise expressly directed in such act.

SECTION 8. Extends the term of the present members of

the Board of Councilmen to the first Monday of January, 1869, and also requires a three-fourths vote of all the members elected to each Board to appropriate any money or incur any obligations binding on the Corporation, and also makes a three-fourths vote necessary to transfer or lease any property owned by the Corporation.

PROSECUTION OF OFFICIALS, &c.

The Association also refers to its prosecution of several prominent officials in this city.

1. The prosecution of City Inspector F. I. A. Boole, which culminated in the Board of Health, and destroyed Boole's power.

2. The presentation of charges against Corporation Counsel John E. Devlin, which culminated in preventing his re-election to office.

3. The prosecution of the charges against Brennan, the former Comptroller, with the same substantial result.

4. The presentation of charges against the former Street Commissioner, Charles G. Cornell, which resulted in his resigning his office.

5. The presentation of charges against the former Fire Commissioners, which resulted in a change of Commissioners, and in placing the department upon the basis of thorough efficiency.

6. The mandamus obtained against the Board of Supervisors, compelling it to deposit the books and papers referring to the New County Court House in the office of their clerk for public inspection.

7. The mandamus compelling the former Street Commissioner Cornell to permit citizens to inspect the books and papers of his office.

8. The injunction restraining the Common Council from making a contract for gas for the term of twenty years.

COMMUNICATIONS TO OFFICIALS.

The Association also refers to its investigation of several important matters connected with the local government, and to its communications addressed to officials calling attention to certain abuses ; and among the most important of these communications are :

1. A communication to the Board of Supervisors in relation to the expenditures upon armories and drill-rooms.
2. Two communications addressed to Street Commissioner McLean, calling attention to matters of complaint in his department.
3. The communication to Comptroller Connolly in relation to our markets.
4. The communication to the Board of Supervisors in reference to the County Court House.
5. A communication to Chamberlain Sweeny in reference to the interest paid to him by the banks holding the public money.
6. Two communications to the Corporation Counsel, in reference to his management of the Law Department.

All of these communications were published in the daily papers, and drew the attention of the public to the several abuses of which they treated, and some of the officials to whom they were addressed have promised to abate the evils complained of ; but, of course, promises from our officials will not cause the Association to cease its vigilance or relax its energy.

If our capitalists and property owners would subscribe more liberally to the funds of the Association, its efforts could be made more effective.

Able engineers should be employed upon all public works, investigating as to the expenditure of every dollar, and competent legal gentlemen should be ready to deal vigorously and promptly with every official who violates law.

NOT A DAY SHOULD INTERVENE BETWEEN THE OFFENCE AND A PROMPT EFFORT TO PUNISH THE DELINQUENT.

THOSE WHO RULE OUR CITY HAVE WON POWER BY ORGANIZING ON THEIR SIDE EVERY ELEMENT THAT IT WAS POSSIBLE FOR THEM TO CONTROL. INTELLIGENCE, CAPITAL AND HONESTY ARE ENTIRELY COMPETENT TO PROTECT THEMSELVES AGAINST THIS ORGANIZED POWER; BUT TO DO SO THEY MUST IMITATE THEIR OPPONENTS, BY ORGANIZING ON THEIR SIDE THE INTERESTS IN FAVOR OF GOOD GOVERNMENT. SURELY THE GREAT END IS WORTHY OF THE EFFORT. THE HISTORY OF THE ASSOCIATION SHOWS WHAT CAN BE ACCOMPLISHED BY UNITED EFFORT.

Every thousand dollars saved by the efforts of the Association is not only so much money preserved to the enjoyment of its rightful owners, but is just so much strength taken from the corrupt men who are in power in the city.

In order to enable the Association to fulfil its mission, break down corruption and continue its work of introducing into the local government the important reforms which it has so successfully begun, it is necessary that the capital for whose protection it is laboring should appreciate its services and contribute some portion of the sum it is annually saving towards carrying forward the work. The operations of the Association have been conducted with the greatest economy, and great results are accomplished with very small outlays of money. Numerous very important law suits, for the protection of property, and the punishment of official delinquents, have been carried on. Engineers have been employed to survey our public works, accountants have been kept busily occupied in examining the accounts of the various departments, and the expenses

of the government, and a vast amount of labor performed which it would be tedious to recapitulate here. The work and labors of the Association are too well known in their general scope and character to render it necessary to dwell on a lengthy review.

THE ASSOCIATION DOES NOT HESITATE TO PLEDGE ITSELF TO GIVE NEW-YORK A GOVERNMENT SUCH AS WILL BE A SOURCE OF HONOR AND JUST PRIDE IN EVERY RESPECT, AND TO REDUCE TAXES TO ONE PER CENT. ON THE PRESENT BASIS OF VALUATION, IF CAPITALISTS WILL LIBERALLY SUSTAIN ITS EFFORTS, AND AS A GUARANTEE FOR THIS RESULT, IT POINTS WITH CONFIDENCE TO WHAT IT HAS ACCOMPLISHED IN THE PAST.

When we survey the improvements in our local government, inaugurated by the Citizens' Association, we can see what would be the result if the Association should close its labors and cease to exist. It is the only body agitating great questions of reform, and laboring to stem the tide of corruption, and, if it should cease to exist, the effect on the men who so abuse their power in this city would be precisely the same as the effect upon the ordinary thieves and burglars, if the police should be disbanded. And this would be brought about by the operation of causes which it is unnecessary to enlarge upon here. Neither the Municipal, State, nor National Government, turns its attention to advancing the great social and commercial interests of the people.

The history of the local government of this city is a history of neglect and oppression, and it is only through complete organization, such as we have in the Citizens' Association, that we can hope for progress and real substantial improvement.

Nothing is more erroneous than to suppose, that a cor-

rupt government in this city is a necessity. Neglect and indifference only have brought us where we are, and energy and determination can alone carry us where we desire to be.

Neither passive endurance on the one hand, nor revolution, riot and bloodshed on the other, will do it, but regular, lawful, PERSISTENT efforts will accomplish it.

If our capitalists and merchants saw it to their advantage to examine carefully this whole question, and would place at the disposal of the Association the requisite funds, corruption and bad government could be crushed out in two or three years, and our taxes reduced to one per cent. The Citizens' Association has ceased to be an experiment. Its four years' labors have demonstrated, beyond all question, that, if properly sustained, it can successfully cope with all the frauds and corruptions of the day; and if it commanded ample means to employ, whenever required, the most able men to advance along the whole line of corruption at once, it could deal such blows that the enemies of honest and economical government would be overthrown.

If the reduction of our taxes to one per cent., or even the prevention of their increase; if the inauguration of a broad and comprehensive system of wharves and piers; if the development of all legitimate sources of income; if, in short, all the labors and efforts of this Association are worthy of the serious consideration of large capitalists, merchants and tax-payers, the time for giving the subject such consideration has now arrived.

Any government the capitalists and merchants may determine to have in New-York can be established. If good, wise, economical government is desired, the agencies and appliances only have to be used. If, on the other hand, every evil of the past and present is not only to be borne, but greatly augmented, that end supineness and neglect will bring about. *The great question of the day is retrenchment, and intelligent, thorough, and comprehensive reform.*

Will those who have large interests to protect say that this great city, under a Republican form of government, shall, in all things appertaining to its government, present the aspect of ruin and decay, while Paris rises higher and higher, as the great model city of the world, under imperial rule; or will they resolve, in earnest, to bid New-York be free, and make her the grandest city of the world?

The power, intelligence and capital are here to do it. Remember, with good government we have nothing to fear, and without it, nothing to hope.

If free government in this great city (and in cities all free government has originated), which is an empire in itself, shall prove an utter failure, what guarantee have we that the same result will not follow in all parts of our country as it becomes thickly populated? And thus it may come to pass that the spirit of liberty and free government, which had its first full inception in America, and gathered to itself strength and beauty here, will perish in the land of its birth!

RICHARD M. HENRY,

Secretary.

NEW-YORK, 813 Broadway, *February 8, 1868.*

